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NEWS RELEASE

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Contact: Katie Elbert, 202-225-4131 (Hoyer)

Robert White/Drew Crocket, 202-225-5074 (Davis)

Davis and Hoyer Introduce D.C. Retirement Protection Improvement Act of 2004

Washington, D.C. - House Government Reform Committee Chairman Tom Davis (R-VA) and House Democratic Whip Steny Hoyer (D-MD) yesterday introduced H.R. 4657, "The District of Columbia Retirement Protection Improvement Act of 2004," which streamlines the administration of pension benefits for many D.C. retirees.

The legislation promotes more efficient investment, account and financial reporting of two D.C. pension funds – the D.C. Federal Pension Liability Trust Fund and the Federal Supplemental D.C. Pension Fund – by combining the two funds into a newly created D.C. Teachers, Police and Firefighters Pension Fund.

The bill also puts into law the appeal rights of those covered by the judges' retirement plan. Employees covered by this plan already have – by regulation, not by law – the same appeals rights as police officers, firefighters and teachers. This legislation would simply codify those regulations.

"This bill enacts simple reforms and administrative corrections so that we can streamline the pension process to better serve those who have unselfishly served our Nation's Capital," Chairman Tom Davis said.

"This bill makes a common sense adjustment to the DC pension system to protect the retirement security of thousands of DC firefighters, police and teachers," said Congressman Steny Hoyer. "By streamlining and simplifying the administration of pension benefits, this new law will help dedicated District of Columbia employees more accurately plan for their retirement."

The two separate retirement funds were created as part of the Balanced Budget Act of 1997. That law stipulated that the assets of the Federal Supplemental D.C. Pension Fund be invested only in public debt securities. This provision was dropped two years later, as part of an appropriations act, thereby eliminating the primary reason for having separate funds.

These accounts handle retirement benefits for District of Columbia police officers, firefighters and teachers.

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